

ETC ANNUAL REPORT PER WAC 480-123-070 AND WAC 480-123-080  
Contains Certifications Required by WAC 480-123-060 and 480-123-070  
July 1, 2024

Westgate Communications LLC (“WeavTel,” “Company”) hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.

1. Report 1: Report on use of funds: WAC 480-123-070(1)(a)

The Company used support from the federal high-cost fund in 2023 to support telecommunications plant used to provide voice services, broadband services, and other telecommunications services, and to support operating expenses incurred by the Company in its provision of those services.

For the calendar year 2023, the Company’s gross capital expenditures, including telecommunications plant under construction, and operating expenses, including federal income taxes, were \$110,825 and \$447,162, respectively.

During the first six months of 2024, the Company continued improvements to the tower and solar power plant on the bluff overlooking Stehekin and installed radio equipment to connect more customers. The tower located on WeavTel property/Headquarters location had improvements added to it along with additional radios to connect more customers. The tower located at the Stehekin Landing Waste Treatment site and Stehekin Central Office had improvements added as well, along with more radios to connect additional customers. WeavTel will continue to add new customers in order to meet the federally mandated 25/3 Mbps speed requirements for broadband service. The Company also continues to complete HUBB additions and required testing needed for the USAC PMM testing site that increased costs after commitment was made.

In the second half of the calendar year 2024, the Company will be purchasing and installing more customer premises CBRS radios to connect additional customers. Westgate will also be applying for various federal and state grants to complete its last mile long haul terrestrial radio expansion to replace its satellite connections and add to its customer count in currently unserved locations.

Westgate is continuing with its construction projects to meet its 25/3 Mbps FCC and WUTC broadband buildout obligations along with completing the required reporting in the USAC Hubb and PMM. This will include purchasing more customer premises testing equipment and paying service fees for testing that is ongoing and will continue in the future.

The NECA-1 report will be submitted as soon as it is available and no later than August 1, 2024.

2. Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses reported under Report 1, above, benefited the customers as follows:

The customers served by the Company benefited from the use of high-cost fund support by

continuing to receive high quality telecommunications and broadband services.

Through the expenditure of federal high-cost support funds, the Company was able to continue to provide services at a level that the Company believes meets the intent set forth in 47 U.S.C § 254 of providing quality telecommunications services to customers in the service area for which the Company is designated as an ETC<sup>1</sup>. The Company has made substantial investments over the past several years which allow it to provide quality telecommunications services to its customers in its designated ETC service area. Those expenditures and investments, including those reflected in Report 1 above, benefit all customers receiving the federal high-cost fund supported services from the Company within its designated ETC service area. The Company has expanded its network over the past several years so that it can provide access to broadband services throughout most of the Company's designated ETC service area. The Company offers services that are comparable to services offered in urban areas at rates that are comparable to rates for such services in urban areas.

3. Report 3: Local Services Outage Report: WAC 480-123-070(2)

None. Outages are listed on the report labeled (210) Reportable Voice Service Outages on FCC Form 481. WeavTel reported zero local service outages during 2023.

4. Report 4: Report on Failure to Provide Service: WAC 480-123-070(3)

None. The Company had no unfulfilled voice service requests and no unfulfilled broadband requests as identified on lines 300 and 320 of FCC Form 481.

5. Report 5: Report on Complaints per 1000 Connections: WAC 480-123-070(4)

None. The Company had no voice or broadband complaints as identified on lines 410 and 440 of FCC Form 481,

6. Report 6: Annual Plan: WAC 480-123-080(1)

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington State for the period January 1, 2024, through December 31, 2024 are projected to be \$80,000 for gross capital expenditures and \$600,000 for operating expenses and taxes. Westgate will continue purchasing and installing customer premises CBRS radios at USAC and WUTC supported locations. The Company will continue seeking funding for the next two communication sites down lake from Stehekin for terrestrial connectivity to the Manson Central Office. Westgate will also continue to purchase customer premises equipment and pay service fees to meet USAC's and the FCC's mandated testing obligations in order to enter required data into the USAC PMM. The expenses associated with reporting and challenging reported FCC Broadband data that has been reported to the USAC HUBB and PMM will continue to be a major expense and diversion from continuing to expand broadband services to customers. as well as providing necessary customer support and service. Reports and inquiries from regulatory agencies will be a further 10 percent of total grant requests should federal and state regulatory reporting requirements remain unchanged from the previous year.

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<sup>1</sup> The term "ETC" is used in the same sense as the term is used in Chapter 480-123 WAC.

With the exception of additional depreciation expense created by the capital projects the Company anticipates completing in 2024, and additional reports and inquiries requested by USAC and WUTC, Westgate expects that expense levels will remain relatively the same as those experienced in calendar year 2023, subject to the effects of inflation and other commonly experienced changes in the cost of labor, materials and the availability of telecommunications equipment cannot be anticipated. The Company does not expect major adjustments in staffing levels for the relevant period.

7. Report 7: Plan of Investments and Expenditures: WAC 480-123-080(2)

As they are known to the Company at the date of this Report, the planned investment and expenses to be made with federal high-cost support related to Washington state for the calendar year 2024 are expected to remain relatively the same as those it experienced in calendar year 2023, subject to the effects of inflation, other commonly experienced changes in cost of labor and materials, and increased depreciation on new investment placed in service. In the event the Company applies and is successful in receiving grant funding, capital expenditures would increase.

WeavTel anticipates it will add approximately \$85,000 in telecommunications plant in 2024. This investment will include the construction of a fourth tower in the Stehekin exchange that will expand and improve the Company's network infrastructure for existing voice and broadband customers. The Company will also purchase and install additional customer premises radios that will be able to reach further regulatory mandated locations in order to meet the FCC's and WUTC's 25/3 Mbps broadband service speed requirements. In addition, the Company is applying for funding to complete a project to have access to terrestrial back haul over microwave facilities that will increase broadband speeds to a maximum of 100/20 Mbps service that customers will be able to subscribe to at reasonable prices.

The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company expects that the continued receipt of federal high-cost support will allow the Company to continue to provide the supported services at rates that are comparable to the rates for such services in urban areas. All customers in the Company's designated ETC service area will benefit from the expected level of support by continuing to have available to them services that are comparable to the telecommunications services offered in urban areas at rates that are comparable to the rates for such services in urban areas.